

ORIGINAL



0000131641

MEMORANDUM

Arizona Corporation Commission

DOCKETED

NOV 10 2011

RECEIVED

2011 NOV 10 A 8:38

TO: Docket Control Center

FROM: Steven M. Olea  
Director  
Utilities Division

DOCKETED BY

*[Signature]*

AZ CORP COMMISSION  
DOCKET CONTROL

DATE: November 10, 2011

RE: GLOBAL WATER – PICACHO COVE UTILITIES COMPANY AND GLOBAL WATER – PICACHO COVE WATER COMPANY - REQUEST FOR EXTENSION OF COMPLIANCE DEADLINE (DOCKET NOS. SW-20494A-09-0016 AND W-20495A-09-0016)

In Decision No. 71238, dated August 6, 2009, the Arizona Corporation Commission (“Commission”) approved the applications of Global Water – Picacho Cove Utilities Company and Global Water – Picacho Cove Water Company (“collectively, “Picacho Cove”) for extensions of its Certificates of Convenience and Necessity (“CC&N”) in Pinal County, Arizona.

As part of Decision No. 71238, the Commission ordered that Picacho Cove file the following items as a compliance item with Docket Control within two years of the decision:

“...the Certificate of **Approval to Construct** for Phase 1 of the development...”

“...a copy of the Arizona Department of Water Resources **Designation of Assured Water Supply or Physical Availability Demonstration** for the extension area...”

“...copies of the **General Permits** for Phase 1 of the construction for the wastewater facilities...”

“a copy of the **Aquifer Protection Permit**...”

Based on the August 6, 2009 date of Decision No. 71238, the Commission due dates for the above compliance items were on or about August 6, 2011.

On July 14, 2011, Picacho Cove docketed a “Motion for Extension of Time” requesting an additional two years for the provision of the various items outlined above. The application pointed out that development has not moved forward in the area “due to the well-known downturn in the housing market”.

On July 29, 2011, Staff contacted Company representative to inform him that the application for extension did not include the necessary “updated request for service letter” for Staff’s to process the extension. This item was on hold while the Company sought a new request for service from the City of Mesa, who is the land owner of the property outlined in Decision No. 71238.

Although the Company stayed in contact with Staff, no definitive conclusion was reached on the required letter until Staff received a November 1, 2011, e-mail in which the Company confirmed that "the city of Mesa owns all the land, and they have decided not to renew a request for service".

With no current request for service from a customer, Staff concludes that there is no reason to allow an extension of time in this matter. Staff therefore recommends denial of the Company's application for a two year extension of time for the above compliance items.

Staff further concludes that the extensions of the CC&N territories, which were approved in Decision No. 71238 based on a specific customer request for service, are no longer appropriate. Staff thereby recommends that the territories granted to Picacho Cove (as outlined in Exhibit A of Decision No. 71238) be deleted from the Company CC&Ns.

SMO:BKB:lhbm

Originator: Brian K. Bozzo

SERVICE LIST FOR:

GLOBAL WATER – PICACHO COVE UTILITIES COMPANY  
GLOBAL WATER – PICACHO COVE WATER COMPANY  
DOCKET NO. SW-20494A-09-0016 AND W-20495A-09-0016

Mr. Michael W. Patten  
Roshka, DeWulf & Patten, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004